Ministry of Finance

2016/17 – 2018/19 SERVICE PLAN

February 2016

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Minister Accountability Statement

The *Ministry of Finance 2016/17 – 2018/19 Service Plan* was prepared under my direction in accordance with the *Budget Transparency and Accountability Act*. I am accountable for the basis on which this plan has been prepared.

I wish to thank the incredibly dedicated staff at the Ministry of Finance. I am proud to work, every day, with such a committed team of professionals.

Honourable Michael de Jong
Minister of Finance
February 16, 2016

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Purpose of the Ministry

The Ministry of Finance plays a key role in managing government's fiscal, financial and taxation policies. The Ministry also manages policy development and regulation for specific sectors including gaming, financial services, real estate and records management. Policy advice is also provided by the Ministry with respect to federal-provincial arrangements and the stewardship of the Canada Pension Plan. The Ministry has oversight for financial, procurement and administrative governance as well as banking, accounting, and risk and debt management services for the broader public service. The Minister of Finance is accountable for the B.C. Public Service Agency, Public Sector Employers' Council, B.C. Securities Commission, B.C. Lottery Corporation, and Partnerships B.C.

Strategic Direction and Context

Strategic Direction

The Ministry supports the Government's commitment to building a strong economy and secure tomorrow for British Columbians. The Ministry will continue to deliver on both government-wide and ministry specific strategic priorities and initiatives as outlined in the *Province of British Columbia Strategic Plan 2015/16 -2018/19* and the Minister's Mandate Letter. The Ministry supports and is compliant with the direction in the Taxpayer Accountability Principles to strengthen accountability, promote cost control and ensure that public sector entities operate in the best interest of taxpayers.

Economic Context

The Economic Forecast Council (EFC) expects British Columbia's real GDP to grow by 2.7 per cent in 2016 and 2.6 per cent in 2017. Meanwhile for Canada, the EFC projects national real GDP growth of 1.8 per cent in 2016 and 2.2 per cent in 2017. As such, BC's economic growth is expected to outperform Canada in the coming years. Downside risks to BC's economic outlook include the potential for a slowdown in North American economic activity, ongoing fragility in Europe, and slower than anticipated Asian demand, particularly in China. Additional risks include uncertainty in the outlook for the Canadian dollar and weak inflation.

Goals, Objectives, Strategies and Performance Measures

Goal 1: Sound and transparent management of government finances

Confidence in British Columbia's economy is important for attracting investment and creating jobs. Responsible fiscal policies ensure that the government can maintain and enhance the delivery of key public services and that the costs of public services are not passed on to future generations.

Objective 1.1: Effective management of government's fiscal plan

The government's ability to achieve a sustainable fiscal environment relies on the development and maintenance of a prudent and resilient fiscal plan. The Ministry plays a critical role in overseeing the fiscal plan and works closely with the federal government, provincial ministries and other public sector partners to ensure that government's annual and three-year revenue, and operating and capital expenditure targets are met.

Strategies

- Continuously monitor revenues, spending and debt set out in *Budget 2016* and take corrective action as required to meet targets.
- Ensure effective cash management to minimize borrowing requirements and debt service costs.
- Support increased trade and investment between B.C. and China by promoting the Renminbi (RMB) trading hub.
- Manage government's capital plan ensuring strategic investments in infrastructure, including hospitals, roads and schools, across the province reflect the priorities of government.

Performance Measure 1: Provincial Credit Rating

Performance Measure	2015/16 Forecast	2016/17 Target	2017/18 Target	2018/19 Target
Provincial credit rating	triple-A	triple-A	triple-A	triple-A

Data Source: Moody's Investors Service and/or Standard and Poor's (Credit Rating Agencies).

Discussion

This measure is the provincial credit rating determined by independent credit rating agencies. Triple-A is the highest possible rating and it is provided only to those public and private sector organizations that are assessed as borrowers with excellent financial security and pose the lowest risk for investor loss. Organizations with a triple-A credit rating are generally offered the lowest interest rates when

borrowing in domestic and international capital markets. With government's continued focus on prudent fiscal management, it anticipates maintaining its triple-A credit rating.

Performance Measure 2: Budget Surplus

Performance Measure	2015/16 Forecast	2016/17 Target	2017/18 Target	2018/19 Target
Budget surplus	$377M surplus	As set out in government's fiscal plan	As set out in government's fiscal plan	As set out in government's fiscal plan

Data Source: *British Columbia Budget and Fiscal Plan.*

Discussion

This measure reflects the Ministry's overall success in implementing the government's fiscal plan. Government will continue to uphold its commitment to deliver a balanced budget in 2016/17 and for future years.

Objective 1.2: Accountable, efficient and transparent financial and program management across government

The Ministry supports accountability and transparency through the public release of financial and program information, and a variety of governance frameworks that apply to ministries and the broader public sector. The successful implementation of effective governance frameworks supports increased value for use of public funds and contributes to public confidence in government.

Strategies

- Ensure appropriate financial and program management, systems and guidance are in place for the broader public service.
- Continue transformation of government's financial management monitoring and reporting processes and systems.
- Realize opportunities to leverage existing banking agreements, risk management and insurance services across the broader public sector.
- Provide advice to the broader public sector on the implementation of Enterprise wide Risk Management (ERM) frameworks in alignment with government ERM policies and resources.
- Meet statutory reporting requirements and comply with generally accepted accounting principles (GAAP).

Performance Measure 3: Audit Opinion of Public Accounts

Performance Measure	2015/16 Forecast	2016/17 Target	2017/18 Target	2018/19 Target
Audit opinion provided by the Office of the Auditor General	Public Accounts will be in compliance with GAAP	Public Accounts in compliance with GAAP	Public Accounts in compliance with GAAP	Public Accounts in compliance with GAAP

Data Source: Release of the *Public Accounts*.

Discussion

This measure is an indication of government's transparency in accounting for its finances. In preparing the *Public Accounts*, the Ministry strives to provide an open, accurate and fair representation of the government's financial position in accordance with GAAP. To validate this position, government seeks an independent audit opinion that offers an objective assessment of its financial reporting.

Goal 2: A strong, competitive and vibrant economy

Objective 2.1: A fair and competitive tax and regulatory environment

A tax system that is perceived by British Columbians to be fair increases their confidence in government. Furthermore, the Province's ability to support a strong economy depends on a tax and regulatory environment that is nationally and internationally competitive. Jurisdictions with competitive tax regimes and regulatory frameworks are successful in attracting and retaining personal and business investment.

Strategies

- Support the *B.C. Jobs Plan* through tax initiatives, fiscal responsibility, and the elimination of red tape in order to foster an environment that encourages economic growth and business success.
- Continue to support the development of a liquefied natural gas industry in the province.
- Develop and implement a framework for managing B.C.'s Prosperity Fund.
- Ensure financial services and real estate regulatory frameworks are efficient and effective, and protect the public interest.
- Continue to pursue with the federal and other provincial governments the establishment of a Cooperative Capital Markets Regulator for Canada that protects and supports British Columbia's interests and ensures the B.C. securities industry is not negatively impacted.

Performance Measures 4, 5 and 6: Provincial Income Tax Ranking

Performance Measure	2015/16 Forecast	2016/17 Target	2017/18 Target	2018/19 Target
Provincial ranking of corporate income tax rates	Lowest	Remain in the lowest four	Remain in the lowest four	Remain in the lowest four
Provincial ranking of personal income tax rates for the bottom tax bracket	Second lowest	Remain in the lowest two	Remain in the lowest two	Remain in the lowest two
Provincial ranking of personal income tax rates for the second-from-bottom tax bracket	Lowest	Remain in the lowest two	Remain in the lowest two	Remain in the lowest two

Data Source: Published legislation and budgets from all 10 provinces.

Discussion

The measure of the provincial ranking of corporate income tax rates compares the general corporate income tax rate in British Columbia, as of March 31 each year, to those of other provinces in Canada. The targets reflect government's commitment to maintaining a competitive tax environment that fosters economic growth by encouraging business investment and promoting a business-friendly environment.

The two measures of the provincial ranking of personal income tax rates provide a comparison of British Columbia's personal income tax rates for the bottom two tax brackets, as of March 31 each year, with those of the other nine provinces. These targets demonstrate government's commitment to maintaining low tax rates for individuals and families living and working in British Columbia.

Objective 2.2: Responsive, effective and fair revenue, tax and benefit administration that funds provincial programs and services

The Ministry manages revenue in relation to statutes it directly administers, as well as statutes administered by other ministries. These revenues support the provision of important government programs and services such as health care, education, social services and transportation infrastructure for British Columbians. The Ministry is committed to identifying and collecting amounts owed to government in a manner that is fair and respectful to citizens and taxpayers.

Strategies

- Continuing to assist individuals and businesses to better understand their financial obligations and to pay the correct amount on time.
- Explore further opportunities for applying technological solutions to improve compliance and enforcement activities.
- Implement technology that provides businesses with access to higher quality services while fostering better engagement with its citizens.

- Continue work to consolidate government's tax and royalty revenue programs onto government's corporate tax administration system to reduce administration costs and simplify and streamline services for citizens.
- Improve collaboration across jurisdictions to help ensure tax revenue owed to the Province is identified and received in a timely manner.

Performance Measure 7: Per Cent of Amounts Owed to Government Paid or Collected

Performance Measure	2015/16 Forecast	2016/17 Target	2017/18 Target	2018/19 Target
Per cent of amounts owed to government paid or collected[1]	95.7%	95.7%	95.7%	95.7%

Data Source: Ministry business information systems.

1. This measure includes all amounts owed to government that are administered by the Ministry. Amounts owed to government include revenue identified during the fiscal year and overdue accounts from the current and previous fiscal years.

Discussion

This measure reports on the success of the Ministry in collecting all amounts under its administration owed to government in a specific fiscal year. This measure includes amounts owed to government where the Ministry is responsible for both revenue and debt collection functions. It excludes revenue and debt collections for personal and corporate income tax collected by the Canada Revenue Agency on behalf of the Province. As a result, this measure reflects approximately 50 per cent of revenue overseen by the Ministry.

Goal 3: Confidence in public sector organizations

The Ministry leads and promotes sound governance, accountability and social responsibility to ensure confidence and trust in public programs and services.

Objective 3.1: Government has effective oversight of public sector organizations

Public sector organizations are established by government to serve the public interest and to advance overall public policy objectives. These include Crown Corporations, post-secondary institutions, health authorities, commissions, and councils. Collectively, these organizations manage billions of dollars in assets and liabilities, operate in many sectors of the provincial economy, including transportation, energy and resources, and oversee the delivery of core services such as health care, education, and public utilities. Effective oversight of these organizations is critical to protect taxpayers, ensure strategic alignment with government's priorities and preserve public confidence in the management of public sector programs and services.

Strategies

- Ensure Crown corporations adhere to the fiscal responsibility and transparency standards outlined in the Taxpayer Accountability Principles.
- Continue reviews of designated public sector organizations programs and Crown corporations and ensure that recommendations made in the reviews are fully implemented.
- Integrate corporate governance and financial management.

Objective 3.2: Public confidence in B.C.'s gaming sector

Commercial gaming in B.C. is a $2.9 billion a year industry, contributing $1.25 billion annually to government revenue to support health care, local governments and thousands of community organizations.

The Ministry is responsible for the overall integrity and regulation of gaming, including horse racing, in B.C. This includes regulatory oversight of the B.C. Lottery Corporation, licensed charitable gaming, the delivery of responsible and problem gambling programs, and the administration of community gaming grants.

Strategies

- Ensure policies and the regulatory framework for gaming and horse racing in B.C. is fair, appropriate and transparent to support the integrity of gaming and provide a foundation for assessing compliance.
- Align our people, tools and resources to support the delivery of current and future business priorities.
- Align activities and services to reflect current and emerging gaming sector trends, and focus resources on business priorities, and areas of opportunity and greatest risk.

Objective 3.3: Ensure government is open and transparent

The Ministry is responsible for ensuring that all public service employees understand their information management responsibilities, which include the appropriate management of records and responding to freedom of information requests. The Ministry provides corporate oversight and guidance to all ministries and is committed to ensuring strong records management and freedom of information (FOI) policies and practices are in place.

Strategies

- Provide timely and appropriate information to the public.
- Develop and implement service enhancements for freedom of information requests.
- Oversee the implementation of all recommendations made by former Information and Privacy Commissioner David Loukidelis, Q.C. on how best to implement the recommendations made by B.C.'s Information and Privacy Commissioner, Elizabeth Denham in her October 22, 2015, investigation report.

Performance Measure 6: Productivity Improvements in Processing Freedom of Information

Performance Measure	2016/17 Baseline	2018/19 Forecast	2016/17 Target	2017/18 Target	2018/19 Target
Average cost to complete a Freedom of Information request	$1,150	$950	Outperform baseline by at least 20%	Outperform baseline by at least 20%	Outperform baseline by at least 20%

Data Source: Corporate Request Tracking System (CRTS)

Discussion

This measure tracks the Ministry's success in reducing the average cost to process a FOI request. The number of FOI requests received by government has increased in recent years and the Ministry is obligated to provide effective service to the public and ministry clients in a manner that is respectful of taxpayers. We will be reviewing this corporate performance measure.

Resource Summary

Core Business Area	2015/16 Restated Estimates[1]	2016/17 Estimates[1]	2017/18 Plan	2018/19 Plan
Operating Expenses ($000)				
Treasury Board Staff	6,710	6,991	6,722	6,724
Office of the Comptroller General	16,352	16,605	16,752	16,830
Treasury	1	1	1	1
Revenue Division				
Gross	102,310	103,481	103,959	103,959
Recoveries[2]	(110,260)	(110,260)	(107,787)	(107,946)
Net	(7,950)	(6,779)	(3,828)	(3,987)
Policy and Legislation	6,979	6,994	6,998	6,991
Public Sector Employers' Council Secretariat	10,091	10,034	10,045	10,045
Corporate Information and Records Management Office	15,201	15,387	15,200	15,000
Internal Audit and Corporate Governance	2,911	2,901	2,917	2,918
Executive and Support Services	10,491	9,359	8,077	8,104
Gaming Policy and Enforcement	19,972	19,979	20,007	20,038
Insurance and Risk Management Account				
Gross	53,622	53,609	53,622	53,609
Recoveries[2]	(46,631)	(46,631)	(46,631)	(46,631)
Net	6,191	6,178	6,191	6,178
Provincial Home Acquisition Wind Up special account[3]	10	10	10	10
Total	197,104	202,351	205,554	205,650
Ministry Capital Expenditures (Consolidated Revenue Fund) ($000)				
Executive and Support Services	473	627	627	340
Total	473	627	627	340

Core Business Area	2015/16 Restated Estimates[1]	2016/17 Estimates[4]	2017/18 Plan	2018/19 Plan
Other Financing Transactions ($000)				
Reconstruction Loan Portfolio				
Receipts	(10,000)	(8,000)	(8,000)	(8,000)
Disbursements	25	75	50	25
Net Cash (Requirements)	9,975	7,925	7,950	7,975
Student Aid BC Loan Program				
Receipts	(115,000)	(115,000)	(115,000)	(115,000)
Disbursements	230,000	230,000	230,000	230,000
Net Cash (Requirements)	115,000	115,000	115,000	115,000
International Fuel Tax Agreement (Motor Fuel Tax Act)				
Receipts	(14,000)	(13,000)	(13,000)	(13,000)
Disbursements	2,550	2,650	2,650	2,650
Net Cash (Requirements)	(11,450)	(10,350)	(10,350)	(10,350)
Land Tax Deferment Act				
Receipts	(58,000)	(64,000)	(70,000)	(77,000)
Disbursements	120,000	132,000	145,000	195,000
Net Cash (Requirements)	62,000	68,000	75,000	118,000
Provincial Home Acquisition Wind Up special account				
Receipts	(10)	(5)	(5)	(5)
Net Cash (Requirements)	(10)	(5)	(5)	(5)

[1] For comparative purposes, amounts shown for 2015/16 have been restated to be consistent with the presentation of the 2016/17 Estimates.

[3] These recoveries represent amounts paid into the Insurance and Risk Management special account in respect of agreements or arrangements with participants, and amounts required to be paid into the account under regulations.

[3] This account is established under the *Special Appropriation and Control Act* effective April 1, 2004, for the purpose of providing for expenditures for the winding up of the loan and financial assistance programs under the *Home Conversion and Leasehold Loan Act, Home Mortgage Assistance Act, Home Purchase Assistance Act, Homeowner Interest Assistance Act* and Provincial Home accounts and guarantee claims paid under the mortgage assistance programs.

[4] Further information on program funding and vote recoveries is available in the Estimates and Supplement to the Estimates.

Appendices

Appendix A: Ministry Contact Information

Ministry Central Office
PO Box 9417 Stn Prov Govt
Victoria BC V8W 9V1
Phone: 250 387-3184

Minister's Office
Honourable Michael de Jong
PO Box 9048 Stn Prov Govt
Victoria BC V8W 9E2
Phone: 250 387-3751

Media Queries
Phone: 250 356-9872

Problem Gambling Help Line
For help in recognizing the warning signs of problem gambling and to get information on free programs, services and resources available to assist problem gamblers and their families:

Call 1 888 795-6111 or visit www.bcresponsiblegambling.ca (confidential, free service available 24 hours/7 days a week, in multiple languages)

Tax Questions
For questions about British Columbia's Provincial Sales Tax, Motor Fuel Tax, Tobacco Tax, Carbon Tax, Tax on Designated Property and Residential Energy Credit and Rebate program:

Toll-free anywhere in B.C. 1 877 388-4440 or email: CTBTaxQuestions@gov.bc.ca

Appendix B: Hyperlinks to Additional Information

Reports and Publications:
For the Budget and Fiscal Plan, Estimates, Public Accounts, Quarterly Reports, Financial and Economic Review, and other reports and publications of the British Columbia Ministry of Finance, please visit: www.fin.gov.bc.ca/pubs.htm

For more information and other Ministry Service Plans and Annual Service Plan Reports, please visit: http://www.bcbudget.gov.bc.ca/default.htm

The Minister of Finance is also the Minister responsible for the following Crown corporations, Boards and Commissions:

Crown Corporations:

- B.C. Securities Commission: www.bcsc.bc.ca
- B.C. Lottery Corporation: www.bclc.com
- Partnerships B.C.: www.partnershipsbc.ca

Boards and Commissions:

- Financial Institutions Commission: www.fic.gov.bc.ca
- Financial Services Tribunal: www.fst.gov.bc.ca
- Insurance Council of British Columbia: www.insurancecouncilofbc.com
- Public Sector Employers' Council: www.fin.gov.bc.ca/psec
- Real Estate Council of British Columbia: www.recbc.ca

B.C. Public Service Agency

Purpose of the Agency

The B.C. Public Service Agency provides human resource leadership, expertise, services and programs that contribute to better business performance of ministries and government as a whole.

Strategic Direction and Context

Strategic Direction

The B.C. Public Service is the largest corporate workforce in the province, serving all communities across British Columbia. From frontline workers to accountants and architects, researchers and analysts, information technology professionals and others, there is virtually no area of expertise unrepresented. Public servants provide a wide range of services to British Columbians such as health care, public safety, education, and environmental management, to name a few.

The B.C. Public Service Agency supports the work these public servants do by providing human resource services such as hiring, payroll, labour relations and learning. In doing so, it helps ensure the B.C. Public Service continues to have the right people to do that work.

This service plan includes the priorities and initiatives that were outlined in the Minister of Finance's Mandate Letter. Additionally, the ministry is supportive of and compliant with the Taxpayer Accountability Principles.

Strategic Context

The Canadian economy continues to improve, and while not all regions are expected to experience growth, many are forecasting positive economic performance over the next couple of years. In particular, British Columbia is expected to lead Canada in economic growth. As the economy improves, so does the possibility for a tightening of the labour market, where organizations can expect increased competition for skilled employees.

The public sector remains focused on fiscal responsibility by balancing budgets and bringing deficits under control. It remains a priority to control public sector spending and find ways to deliver services in a more effective manner.

Changing demographics, such as an aging and increasingly diverse population, continue to influence employers in many ways. An aging workforce is contributing to rising benefits costs through factors such as higher benefit utilization, increased absenteeism and escalating health premiums. As benefits costs make up an increasing percentage of the total cost of employment, the B.C. Public Service is working to contain these costs through a proactive and preventative approach to supporting a healthy and productive workforce.

While global economic influences delayed the retirement of many baby boomers, the oldest of this cohort is now aged 69 and beginning to exit the workforce in growing numbers. This exodus is only expected to increase, and when combined with fewer entrants to the workforce and greater demand for skilled workers, will bring about both labour and skill shortages. The increased competition will require organizations to put greater emphasis on recruitment and retention.

Statistics Canada predicts that by 2030, net population growth in Canada will be due to immigration, which will partially offset the effects of our aging population, but will not be enough to prevent the tightening of the labour market. At the same time, the expected growth in immigration indicates the Canadian public sector can expect increased diversity in both their workforce, as well as the citizens they serve.

Recognizing this changing dynamic, the Agency is responsible for ensuring the Public Service has the commitment, capacity and capability within its workforce to meet the needs of British Columbians now and in the future.

Goals, Objectives, Strategies and Performance Measures

Goal 1: Provide high quality and innovative workforce solutions that enable the B.C. Public Service to deliver services expected and needed by British Columbians

Objective 1.1: **Modernized, responsive and flexible management of human resources**

Objective 1.2: **Informed and strategically aligned resources supporting the delivery of human resource services**

Objective 1.3: **Focused and purposeful investment in human resources**

Objective 1.4: **The goals of the corporate human resource plan for the B.C. Public Service are realized**

Strategies

- Develop a revitalized corporate human resource strategy with an increased emphasis on succession management, employee development and knowledge transfer to address the expected increase in retirements and shortage of skilled labour.

- Develop and implement a Health Strategy 2.0 that takes a proactive and preventative approach in supporting a healthy and productive workforce and avoiding B.C. Public Service benefit cost increases due to illness and disability.
- Seek opportunities to refine the delivery of human resource (HR) services to align with leading practices, reduce HR transactional costs, improve service quality and redirect funding to specialized services.
- Encourage the broader public sector to leverage the investment in the human resource, payroll and technology services platform to create economies of scale and enable reinvestment in workforce initiatives.
- Build on the success of the Lean B.C. initiative and continue to emphasize ongoing improvement in our daily work.
- Continue supporting implementation of the corporate diversity strategy, Reflecting our Communities, including a renewed focus on enhancing accessibility and engagement for people with disabilities.
- Keep investing in technologies to automate the capture and transfer of critical employee data to improve the efficiency and integrity of data management to support improved evidence based decision making and strategic workforce planning.

Performance Measure 1: Absences related to illness and injury days per Full Time Equivalent (FTE)

Performance Measure	2012/13 Baseline	2015/16 Forecast	2016/17 Target	2017/18 Target	2018/19 Target
Absences related to illness and injury per FTE[1]	9 days	9.0 days	9.0 days	8.9 days	8.8 days

Data Source: B.C. Public Service Agency.

1 For the purpose of this performance measure, absences refer to short term illness and non-occupational injuries.

Discussion

The B.C. Public Service recognizes that where employees are supported to optimize their health, better customer service to the public is provided. However, a workforce with changing demographics and the rising prevalence of chronic disease in the population in general are challenges faced not only by the B.C. Public Service, but by all employers in British Columbia.

This measure identifies the number of days lost due to illness and injury. The number of days lost over the last several years has stabilized and is expected to begin slowly declining as a result of ongoing health and safety programming. The B.C. Public Service is committed to an emphasis on earlier interventions and services which are expected to have long-term positive impacts on employee health outcomes. Over time this will result in continued lower leave absences due to illness and injury despite changes in workforce demographics.

The B.C. Public Service continues to compare favourably against the Canadian provincial public sector average of 9.8 days and the federal public sector at 10.5 days[1]. The difference reflects our ongoing focus on health promotion and prevention services, at-work supports for employees with illnesses or injuries, and timely rehabilitation and return to work for employees who are off work due to an illness or injury.

Performance Measures 2 and 3: Workforce utilization

Performance Measure	2012/13 Baseline	2015/16 Forecast	2016/17 Target	2017/18 Target	2018/19 Target
FTE utilization in B.C. Public Service	27,326	27,000	27,400	27,600	27,600
Auxiliaries as a percentage of the workforce	7.6%	7%	6%	6%	6%

Data Source: B.C. Public Service Agency.

Discussion

Full-time equivalent (FTE) staff utilization is projected to increase from 27,000 FTEs in 2015/16 to 27,400 in 2016/17 based primarily on the need to hire additional socials workers, as well additional FTEs required for the new Okanagan Correctional Centre. Going forward, FTE utilization is projected to increase again in 2017/18 to 27,600 due to continued hiring of social workers and the annualization of FTEs hired in the previous year for the new correctional centre, before stabilizing in 2018/19.

The hiring of auxiliaries is intended to fill short-term business needs, either for an interim, cyclical or seasonal basis. Monitoring the proportion of auxiliaries in the workforce helps to ensure hiring levels support B.C. Public Service FTE utilization targets by maintaining an optimal balance between the permanent and temporary components of our workforce.

[1]Data Source: Statistics Canada

Resource Summary

Core Business Area	2015/16 Restated Estimates[1]	2016/17 Estimates	2017/18 Plan	2018/19 Plan
Operating Expenses ($000)				
B.C. Public Service Agency	50,957	50,861	51,090	51,206
Benefits	1	1	1	1
Long Term Disability Fund special account	0	0	22,844	24,676
Total	**50,958**	**50,862**	**73,935**	**75,883**
Ministry Capital Expenditures (Consolidated Revenue Fund) ($000)				
B.C. Public Service Agency	0	10	10	10
Total	**0**	**10**	**10**	**10**

1. For comparative purposes, amounts shown for 2015/16 have been restated to be consistent with the presentation of the 2016/17 Estimates.

Further information on program funding and vote recoveries is available in the Estimates and Supplement to the Estimates.

Appendices

B.C. Public Service Agency Contact Information

Public Service Agency
810 Blanshard Street
V8W 2H2
PO BOX 9404 Stn Prov Gov't
V8W 9V1
Victoria B.C.

Phone: 250 952-6296

For more information on the B.C. Public Service Agency, please visit our website at:
http://www.bcpublicserviceagency.gov.bc.ca/

Legislation Administered by the Agency

Public Service Act
Public Service Benefit Plan Act
Public Service Labour Relations Act

The Public Sector Employers' Council and Employer Associations

Public Sector Employers' Council Secretariat

The Public Sector Employers' Council Secretariat (PSEC) supports government in providing strategic direction in human resource management and labour relations, including the administration, development and implementation of labour relations policies for the broader provincial public sector. PSEC also supports the Minister of Finance in directing employers to create compensation plans for excluded and executive employees. PSEC represents government in its role as a partner in four pension plans[2], working with other partners to ensure plan sustainability, monitor risk exposure and provide policy advice to both government and public sector employers. PSEC's authority is contained in the *Public Sector Employers Act* and its authority related to pension plans is based on the *Public Sector Pension Plans Act* and joint trust agreements.

The B.C. public sector employs approximately 387,000 people working across the public service, Crown corporations and agencies, and the K-12, post-secondary, health and community social services sectors. About 313,000 are unionized employees covered by 183 collective agreements. An increase of 1 percent in total compensation for all unionized public sector employees costs approximately $213 million. If applied to non-union and management groups, this increases to $259 million.

Current PSEC strategies include:

- Developing and maintaining bargaining and compensation frameworks that incorporate government's fiscal and policy directions;
- Providing clear guidance and advice to public sector employers to ensure alignment with government objectives;
- Improving the quality and reliability of data to support negotiations and management of excluded and executive compensation;
- Building capacity in government with respect to strategic labour relations advice and pensions expertise; and
- Working with plan partners to accomplish the objectives of the Public Sector Pensions Framework.

[2] The four pension plans contained in the act are: College Pension Plan, Municipal Pension Plan, Public Service Pension Plan, and Teachers' Pension Plan. For more information see PensionsBC.ca

Employers' Associations

The mandates and purposes of employers' associations include coordinating compensation, benefit administration, bargaining and labour relations within their respective sectors, as outlined in sections 6 and 7 of the *Public Sector Employers Act*. There are six public sector employers' associations:

- British Columbia Public School Employers' Association **(BCPSEA)**
- Community Social Services Employers' Association **(CSSEA)**
- Crown Corporations Employers' Association **(CCEA)**
- Health Employers Association of British Columbia **(HEABC)**
- Post-Secondary Employers' Association **(PSEA)**
- University Public Sector Employers' Association **(UPSEA)**

BCPSEA, CSSEA, HEABC, and PSEA serve as the accredited employer bargaining agents for their respective sectors and funding is provided by the Public Sector Employers' Council Secretariat. CCEA and UPSEA play a coordination and information-sharing role but do not serve as bargaining agents for their member employers.

Forecast Employer Associations Expenditures

Forecast Expenditures ($000)[1]				
Core Business Area	**2015/16**	**2016/17**	**2017/18**	**2018/19**
Employer Associations	27,919	28,548	28,752	28,836

[1] Expenditures are total forecast expenditure of employer associations included in the government reporting entity and are funded through transfers from government, membership dues, and other sources.